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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

December 19, 2011

J. Conrad Pugh
1690 East Cannes Way
Salt Lake City, Utah 84121

Re: Review of Full Bond Release and File Closure, J. Conrad Pugh, King 1 Mine, S/027/0078, Millard County, Utah

Dear Mr. Pugh:

On November 22, 2011, the Division of Oil, Gas and Mining received your request for a full release of the reclamation surety and file closure for the King 1 mine. During your phone call with Peter Brinton on December 15, 2011, it was determined that no reclamation work has been done since a Division inspection on May 11, 2011.

Before the Division can release most of your bond, you will need to backfill the trenches and pit. Please notify the Division after this work has been completed so the reclaimed site can be inspected and we can respond to your request for surety release.

The Division will need to retain surety until revegetation has been successful. It is anticipated that \$500 will be held back. Once the re-contoured site has been adequately revegetated with desirable species, you can request that the remaining surety be released.

The Division recommends seeding the site immediately after regrading with about four pounds of crested wheatgrass seed. Fall or early spring is typically the best time to seed freshly disturbed soil.

If you have any questions or concerns regarding this letter, please contact me at 801-538-5261 or Peter Brinton at 801-538-5258. In response, please reference our file number S/027/0078 regarding this project.

Sincerely,

Paul B. Baker
Minerals Program Manager

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